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ABSTRACT

This sourcebook on small business/entrepreneurship programs is based on beliefs and experiences of staff members involved in a project to improve such programs in New York two-year colleges. The major section, a Handbook for Coordinators of Postsecondary Programs for Self-Employment, is a synthesis of ideas and recommendations in ten decision areas which a coordinator of programs for self-employment must address: (1) purpose or need, (2) clientele, (3) client characteristics, (4) program objective, (5) program structure and scope, (6) funding and support, (7) staffing, (8) recruitment and selection, (9) evaluation, and (10) program content. Basic questions and supportive materials are then outlined as a decision guide. A list of resources and instructional materials is appended. Six case stories of small business ventures (section 3) are presented with questions to guide class discussions, individual assignments, or instructor presentation or lecture. Guidelines for evaluation of program planning, recruitment and selection, instructional objectives, staffing, and program impact are also outlined (section 4). The final two sections contain a list of contact persons at postsecondary institutions and a topical paper by Walter Geier on recruitment and funding. (YLB)

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SOURCEBOOK

FOR

IMPROVING POSTSECONDARY
SELF-EMPLOYMENT PROGRAMS



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IMPROVING POSTSECONDARY EDUCATION

FOR SELF-EMPLOYMENT

VEA-79-3A-943

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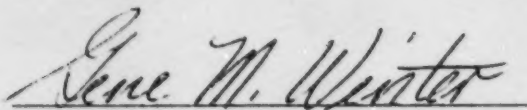
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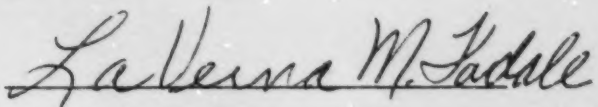
This publication grew from the cooperative activities of a project that focused on the improvement of small business/entrepreneurship programs in New York State two-year colleges. The information presented in the Sourcebook has been drawn from the experiences and beliefs of project staff members who were involved in project activities. The major component of the sourcebook, Handbook for Coordinators of Postsecondary Programs for Self-Employment, is a synthesis of ideas and recommendations from staff members experienced in postsecondary programs. They have agreed to have themselves listed as resource persons in the Human Resource section of the Sourcebook. Readers are urged to contact them directly for more detailed information and assistance.

Other sections of the Sourcebook include ideas and materials designed to supplement instructional programs. The Case Stories section was purposely produced to be copied and used in the classroom.

We especially appreciate the contributions of the two-year college consortium members and the project advisory committee. They are identified on subsequent pages. A share of any credit rightfully belongs to them, but we accept full responsibility for any perceived shortcomings. We acknowledge that programs differ significantly from college to college, but believe that parts of this publication are relevant and useful to every program that has as its goal increasing the chances of success for the entrepreneur.



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*Handbook for Coordinators
of
Postsecondary Programs
for
Self-Employment*

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HANDBOOK FOR COORDINATORS OF POSTSECONDARY PROGRAMS FOR SELF-EMPLOYMENT

Introduction

During the past several years, more than a third of the State's community colleges have been awarded Vocational Education grants from the Bureau of Grants Administration, New York State Education Department, to support the development and implementation of instructional programs in small business-entrepreneurship. Many of these programs have focused on disadvantaged or minority status clients. Concurrently, the State University is promoting public service activities, particularly those with potential economic impact, and the New York State Department of Commerce, Office of Minority Business Enterprise, is focusing program efforts on opportunities and advantages of small business ownership. The State Chamber of Commerce has increased its service to the small business community by forming small business councils in most of the metropolitan areas of the state. Cooperative Extension Service has initiated program development activities for small business persons through its county agent network.

The increased interest in helping the small business person, among educators and non-educators alike, provides the motive or purpose for this publication. New program developers need not begin at "square-one", but can benefit from the experience of those educational entrepreneurs who "have been in business" for several years.

This handbook attempts to bring together the knowledges and attitudes of these educational entrepreneurs for the purpose of increasing the potential success of those that follow. The handbook also contains some of the beliefs of the project staff who, with the support of Vocational Education Act funds, have been working with the local two-year college coordinators toward improving postsecondary education for self-employment.

Purpose or Need for Self-Employment Instructional Programs

Why consider developing a program in small-business entrepreneurship?

Some educators will respond to this question in terms of large numbers of potential clients or students that could benefit from increased knowledge, attitudes, and skills relative to small business management. Statistics show that 80 percent of the businesses in New York State have fewer than ten employees and that small businesses account for nearly all new jobs. Nationally, one out of eight persons is self-employed. Small business is the bastion of the free enterprise system and historically has been responsible for most of the technological innovations that have occurred. The individual service area of a particular college will have its own business community characteristics and set of statistics, but there is little doubt that a large pool of potential students exists.

Often linked to these kinds of statements is the fact that small business programming is a service to the community that can have a direct local economic impact. It is one of the few educational programs that can create new jobs.

Another kind of response to the question emerges from the work history of college graduates. It is not uncommon to expect persons who complete programs in certain occupational areas to sooner or later open their own shop or develop their own business. Programs in agriculture have historically been geared toward ownership. Other program areas such as automotive technology, construction technology, business administration, food service technology and merchandising may focus on learning the business rather than owning the business, but follow-up studies are finding that a substantial percentage of these graduates are becoming entrepreneurs, if only part time. Since many graduates will eventually become business owners, it appears that an educational program component should provide assistance in reaching this objective.

Whatever reason or combination of reasons constitute the rationale for developing a program at any particular college, experienced program coordinators identify the need for a new program coordinator to go beyond rational statements and develop localized need-oriented data. It is recommended that the need for the program be set forth before other program planning decisions are addressed.

Clientele to be Served

It is recommended that an early decision be the determination of the primary clientele of the program. Decisions regarding program structure, staffing and recruitment all flow from the characteristics of this target student group. If the program is targeted at degree students, the issues of recruitment, selection and staffing are partially answered as are the questions of program content and scheduling. Similarly, a program designed for adults already in business should differ from a program designed for adults who are only considering a business venture. Program design may also be altered if the primary clientele is identified as minority groups or women. There is another category that a few colleges identify; persons already in a special type of business such as the artist-craftsperson or food store owner.

The characteristics of the primary client group should be carefully delineated because they help focus the program design and content.

- A. Will the student bring any unique group attitudes to the course relative to the subject of business ownership, to other students, the college, or education in general?
- B. Have other program areas in the institution had experience in dealing with students with like/similar characteristics?
- C. How much time will the students have available to attend classes? What are the best hours/days to offer classes?
- D. Will transportation be a problem?
- E. Will students be willing to pay a fee for the program?
- F. How firm is their business ownership decisions?
- G. What level of academic skills will most of them possess? How will it potentially affect student achievement?
- H. How much business management knowledge will they possess?

To the extent that these questions can be answered, the program planner will be more confident in recruitment and selection. Answers to these questions may also dictate the addition of components such as entrance counseling.

All too often, higher education establishes academic requirements from a traditional or ideal view of college-level performance. However, if the program goal is to enhance the potential success of small business persons, we recommend the program be designed with student characteristics and needs in mind rather than the table of contents of a degree course business administration textbook.

Program Objectives

Previous decisions made regarding the purposes and needs for the program, plus the decisions regarding primary student clientele, lead directly to the determination of program objectives --- or in other words, the intended outcomes.

The goals of a small business instructional program most often result in one or more of the following three student actions:

1. Deciding whether or not to pursue business ownership
2. Actually starting a business
3. Acquiring skills and knowledges that enhance a person's ability to be successful in business

Program goals and objectives to achieve these actions vary with the characteristics of the primary student group.

If prospective students include those who are not small business owners, one objective of the program may be to provide students with sufficient information regarding small business ownership that will enable them to make a well-informed choice. The program may intend that by the end of the course, or series of courses, that each student will have made a decision to actively pursue business ownership or not to pursue any further the idea of self-employment. Other objectives for students who are still considering small business ownership include: 1) a personal awareness of persons and agencies within the community that can help with small business problems (if they should become entrepreneurs at some future date), 2) increase awareness of the kinds of business management skills and knowledges that an owner will either have to possess or employ as part of the operational expense, and 3) an increased awareness of the personal and family sacrifices that may be necessary for the owner-operator to make --- particularly in the early stages of establishing a business. Some assessment of the personality characteristics of prospective owners may also be an appropriate program objective in order to increase personal awareness of themselves in the role of a small business owner.

If the primary student group is characterized as persons who are quite positive about ownership and are primarily seeking help in actually starting a business, program objectives relative to acquiring basic knowledges of business practices become more appropriate. Several programs plan a course of study that results in a detailed plan for establishing and operating the chosen business for the first six months or year. The plan is developed during the course. The student subsequently takes the personalized plan from the instructional setting to use as a guide and a reference tool in actual operation.

If the primary student group is characterized as existing business owners, the program objectives will focus more heavily on acquisitions of new knowledges and skills relative to business operations. The intended or implied outcome is that each student will enhance their potential for success in business through more competent management. The overriding program objective may be perceived as assisting the business-owner increase the profitability of the business. Objectives that focus on the owner's increased awareness of persons and agencies in the community that can assist small business owners are appropriate for this student group. Many existing business owners have heard of private and publically funded organizations and agencies, but few are aware of how and when to use specific services offered by these community agencies.

Program Structure and Scope

Considerations of program structure and scope have been present during the previous decision phases of program planning. Assuming that some tentative decisions have been made regarding program purposes, student characteristics and program objectives, the details of program structure and scope may be modified by the reality of funding and staffing resources. However, it is recommended that an ideal structure be initially set forth.

The primary question is what is an adequate training period for students to reasonably acquire the skills and understanding that have been set forth in the program goal/objective statements?

Programs have been structured in a time frame that varies from 10 to 45 contact hours. Some coordinators have structured the program as a one semester course. This is common for an elective credit-bearing course for some regular degree students and to continuing education programs offered during the evening hours when it is most convenient for working adults to attend.

A variation of this scheduling has been a series of short courses, each organized around a particular small business topic. This structure allows existing business owners to enroll in the topics of their choice, and at the same time reduces the time commitment of one or two nights a week for several months. There are examples of multi-courses and multi-year programs that attempt to build a more extensive skill and knowledge base in business subjects. This continuing course structure usually carries college credit that may lead to an associate degree.

The question of credit or non-credit status relates directly to consideration of recruitment and staffing as well as scheduling and funding. There is some evidence to support the notion that adult students, particularly those already in business, value the usefulness of the course significantly more than the acquisition of college credit. Obviously, the enrolled degree student will expect credit, but most other student populations prefer a useful course at a reduced rate. Instructors have found that issuing a certificate of completion is appreciated by the adult student business person. College credit has little value to people not seeking a degree. Learning how to increase their economic well-being does.

While many colleges have an elective course in small business management, there is one example in New York State (North Country Community College) that allows the student to compile a series of business management courses along with applied arts courses leading to a degree in crafts management. This unique program is designed for the artist-craftsperson who, almost by definition, is a small business person. The same concept

of program design could be applied to a variety of occupational courses and may be particularly appropriate to certificate programs in areas such as automotive technology, construction trades and repair and maintenance of equipment.

Educators are normally constrained in their planning by contact hours required in degree programs. Since targeted student groups for small business programs are often neither credit nor degree oriented, small business program planners should feel free to structure the program objectives. The community college with its mission of community service and commitment to the individual student is perhaps the ideal educational institution for delivery of the variety of programs appropriate to the range of needs exhibited by various target clientele.

Funding and Support Structures

Nearly all existing small business programs in the State have been initiated with Vocational Education Act grant support administered by the State Education Department. Several of these programs have ceased operation when continuing grant support was not available. It is important that a new program coordinator immediately begin to consider strategies for ongoing program support regardless of initial funding source. Options for support exclusive of grants include:

- a) self-supporting through fees
- b) local business and agency contributions or fees
- c) college operating funds
- d) self-supporting through staff volunteer work combined with contributions and/or fees
- e) any combination of the above

Examples of programs with each type of funding support currently exist. Several colleges offer similar courses both for credit and non-credit on a fee basis. Others offer short-courses or seminars in the same fashion. One experienced coordinator maintains that this is the businesslike way; if you have a good product it will sell. In support of this view, needs survey data¹ indicate that businesspersons are willing to pay a reasonable charge for a useful program. The key element is usefulness.

Examples of b) or local contributions, are less common except when programs are given for selected employees on specific topics of management related skills. More common is a business owner or agency staff person serving as an instructor or consultant to a program on a volunteer basis.

College operating funds are used in many programs but are usually supplemented by fees, contributions or other direct or indirect aid.

The best example of d) or volunteerism, is not a college sponsored program. The Institute for Free Enterprise in New York City has operated free of charge for several years and offset costs in a variety of ways. The key to this approach is the voluntary entrepreneurship of the program coordinator, Mr. Walter Geier. (see Topical Paper on Recruitment and Funding)

1. Two-Year College Programs for SMALL BUSINESS ENTREPRENEURSHIP: A Needs Assessment, Institute for Occupational Education, Cornell University, 1978.

Grant support has been only briefly mentioned because it is seed or start-up money by definition and as such should not be perceived as a long-term support mechanism. It is probably the best source of early program support and, as stated earlier, has been the primary source of local capacity building.

Even though a grant may be continued for as long as three years, planning for a more permanent support base should be undertaken early in the program. In addition to state administered VEA grant programs, grants from the Federal level are also a possibility to pursue and with new regulations, CETA funds may also be approvable. For those colleges that are geographically in "Appalachia", the Appalachian Region Commission program may be a source of grant support. On a regional basis other forms of grant support for the program activities may be available depending upon targeted clientele and the specific activities or programs that the program intends to address. Some philanthropic organizations and/or foundations may be potential sources of grant support as well.

Staffing

Most programs have three staff roles to be filled; coordinator, instructor and support personnel. Of the three, the instructor is usually most crucial over time.

The ideal instructor has three attributes; first-hand knowledge of the subject, credibility with the student group, and expertise as a teacher including motivational skills as well as organization, presentation and assessment skills. Potential instructors strong in one attribute can often compensate for weakness in other areas. Credibility can often be the key to recruitment, especially when the instructor is known to the targeted student clientele. However, knowledge of the subject (small business ownership or specific subject such as taxes or advertising design) is probably the most important attribute for the instructor of adult business-owner non-credit students.

Several programs achieve all attributes through a staffing arrangement where a college staff member is program coordinator (principal instructor) supplemented by community experts for special topics. The use of guest instructors or consultants have value as a community linkage, usually part of program intent. Inviting selected consultants to speak to the class can result in student awareness of resource people that they should be contacting; for example, SBA and OMBE staff, and the area's commercial banker.

While the classroom instructor is probably the key to the program success, the planner/coordinator role makes the classroom contact possible. The coordinator is usually the formal link between instructor and administration without which the program may never begin or be recycled. It is the coordinator's role to facilitate, evaluate, promote, improve support and in general, manage the business of small business programming. The coordinator should be a college staff person, ideally with administrative responsibilities. The college staff position is most crucial when the instructor(s) are adjunct and/or community volunteers. Since most programs are part of the continuing education function, strengthening college staff ties and involvement is a continuing goal that enhances the prestige and longevity of the effort. The direct involvement of business department faculty remains for most programs a goal not yet reached. Credit bearing status and student-free or college fund support follows more easily if regular faculty are part of the staffing arrangements.

Evidence from existing programs point out the importance of one college staff person being dedicated enough to make the program happen. This staff member can be (is) either the formal coordinator or principal instructor, or both, but the success of the program over time seems to require one key person who combines coordinator, instructor and support staff roles with advocacy and entrepreneurship behavior. Few programs continue without an advocate on the college staff.

Recruitment and Selection

The major controlling decisions have been made, at least tentatively, with the identification of the target client group and in setting forth the program objectives. If the target student group is well defined in the program recruitment literature, the selection process usually deals with variances in individual student characteristics. The goal is to guide them to the appropriate level course or to identify special assistance that may be needed. Few programs have the problem of over-enrollment.

Some selection process or admittance counseling is recommended even when the program is open to anyone that shows interest. Not only is the personal attention appreciated, but the really inappropriate potential student can be advised before a disillusioning experience develops. For example, existing business persons may want more depth than the course will offer. Conversely, a person considering a franchise arrangement may not wish to pay fees to only study Advance Accounting and Federal government contracting. Pre-class advising/counseling can also uncover needs for different program approaches and collect useful information on recruitment literature. It is the first customer contact that tells the salesperson which product the customer is interested in and will likely result in consumer satisfaction.

Colleges use a variety of techniques to get word to potential students. Newspapers and brochures are used extensively as are public service messages on television and radio. Handbills, posters and flyers distributed at target audience locations can also be effective. Several experienced program coordinators maintain that word-of-mouth from satisfied students is the most effective recruitment technique. Business organizations, clubs and agencies such as Chamber of Commerce, Small Business Administration and Office of Minority Business Enterprise can all be utilized.

The problem most often encountered is getting the right kind of message to the desired student. Experienced program coordinators suggest some market research; to talk with a few people that represent the targeted students, thereby learning to which radio station they listen, which newspapers they read and determine key phrases, personalities or agencies with which they identify or attach importance. The more removed the targeted student is from the traditional college student, the greater the chances are for misunderstanding or complete non-communication.

Evaluation

Designing the evaluation component of the program begins with determination of the primary and secondary purposes for undertaking the evaluation or delineation of potential decisions to be based upon evaluation results. A common purpose for evaluation is to improve the effectiveness of the program by identifying its strengths and weaknesses and by assessing progress toward stated goals. One decision that is common to all programs is whether or not to continue offering the program. Secondary purposes or decision may include quality of instructional materials, competence of instructor(s) and effectiveness of recruitment procedures. If the evaluation should support a decision to continue, criteria such as financial self-sufficiency and community impact may become more important. A comprehensive evaluation will produce evidence on all aspects of the program but determination of the primary questions to be answered will focus evaluation efforts on evidence that is currently more important to collect because of impending decisions.

Components of Program Effectiveness. Rarely will an evaluation be unconcerned with questions of program effectiveness. Examples of such questions include:

1. To what extent were enrollment goals achieved?
2. To what extent were enrollees from the targeted student group?
3. To what extent were instructional objectives acquired?
4. Did the program meet student expectations?
5. To what extent were the instructor(s) and/or consultants effective in their role(s)?
6. To what extent were the instructional materials appropriate for the students, i.e. content, readability, utility?
7. Was scheduling of time and place appropriate?
8. Were community resources utilized appropriately?
9. Were students satisfied with the experience?
10. Was the content appropriate to student needs and levels of experience?
11. To what extent did the program address community development issues (municipal, state, Federal)?

Certain important evaluation questions will vary with program objectives, such as:

- A. How many students made a decision to continue seeking business ownership?
- B. How many students decided to cease seeking business ownership?
- C. In what ways did the program improve the student business-owners management practices, plans or potential?
- D. How many of last year's program completers are now business owners?

Specific student competencies such as record-keeping skills, sales techniques, completion of practice sets and preparation of financial statements provide appropriate evaluation data for some programs, depending upon the skill levels intended.

For some non-credit programs, the awareness level of students is more appropriate to determine than demonstrated competency.

Data Collection Techniques. The instructor and the student are appropriate sources for much evaluation data related to program effectiveness. College records can also provide information relative to student characteristics when normal registration is required.

However, for some non-credit programs registration data exists only with the instructor and the continuing education office. Most program coordinators feel it is necessary to devise an intake or registration form appropriate to local needs and in order to insure that necessary data is available. This pre-instruction form can also be used for collecting indicators of needs, and, if a post-instruction form is administered, can provide useful data on attitude change and firmness of decision, in addition to other evaluative opinions. A sample pre-instruction form is provided in Appendix A for your adaption and use.

A reaction sheet, and interviews with the instructor(s) and consultant(s) are other common and useful techniques. Such an activity is additional to a grade report and seeks process as well as product information. It usually focuses on improvement data from the instructor and/or students' point of view.

A follow-up questionnaire (see Appendix A) or interview is required in order to estimate the program's impact on a business owner's profitability, or to determine the success of potential entrepreneurs in actually establishing a business. Follow-up can be costly and

difficult to accomplish given the mobility of many students and the year-to-year program support base. However, it is precisely this kind of community impact data that is needed to persuade policy level decision makers to continue to invest in programs for the small business person. The rhetoric of community service as economic development cries for facts that small business programs can deliver but without which few can survive. A follow-up study can result in such data as:

- A) While only two students of the class of Spring, 1977 have become small business owners, those two have created ten jobs for people in the community at an average of \$9000 annually which is an impact of \$80,000 purchasing power return on the investment in the educational program.
- B) Follow-up data indicate that nine students, as a direct result of taking the course, have decided that business ownership is not for them. This is a significant economic benefit given the failure rate of new businesses, especially to the nine individuals who still have their savings accounts intact.

Evaluation activities have historically focused on examining the past and on improving future practice. Evaluation can also focus on the value of future practice. This is particularly true for programs of economic impact which are currently a priority at all levels of government.

For more details regarding evaluation, consult the program criteria component of this sourcebook.

Program Content

Content is traditionally the prerogative of the professor. However, even when the course is taught by a person that satisfies the conditions set forth in "staffing" and is tenured, the program coordinator still has a supervisory responsibility for course content. If the instructor role is performed by a selected lay person or a series of consultants, the coordinator's responsibility increases significantly.

Consideration of content options has been an implied part in several of the planning dimensions addressed in previous sections of this handbook. Time in class and the needs and capabilities of the students are obvious factors that affect content decisions. Availability of instructional materials and resource personnel are also modifiers, but staff experience and common sense decisions will have to be made on how to best accomplish the program's objectives. Some coordinators of larger programs feel that staff development or inservice activities for instructors is needed to ensure up-to-date program content.

The major content questions are 1) the highest priority component subjects of business ownership/management and 2) the scope and depth of coverage, that is, acquisition of skills and knowledges versus understanding the importance or need to acquire or hire others having various levels of skills and knowledges.

Priority Topics. Most of the experienced program coordinators feel that some or all of the following subjects of topics should be included in the program curriculum:

1. Understanding financial statements
2. General business management principles
3. Marketing
4. Taxes --- tax principles
5. Staff relations
6. Cash flow/capitalization
7. How to plan for your own business
8. Personal motivation/achievement
9. Advertising --- public relations
10. Insurance

11. Recordkeeping
12. Cost accounting
13. Government procurement
14. Security and prevention of fraud
15. Inventory control
16. Business law
17. Salesmanship
18. Customer relations

Several programs cover these topics within the format on one semester. The students are expected to gain minimum skill level in certain topics such as recordkeeping and cash flow management. While some instructors approach each topic as a separate task related to business ownership, there is a growing trend of relating the topics more closely to real or anticipated student ventures by development of detailed plans and worksheets for their personal businesses. The course results in a personalized notebook that is a basic reference and business plan used by students in the early stages of their business. If students do not have a specific business firmly in mind, they are forced to choose one for the simulation. The content focus is on management. The individual student must bring the trade knowledge to the simulated experience.

Courses for existing business owners are often planned to be more skill oriented on specific topics. Priority topics usually include taxes, specialized bookkeeping, advertising or special topics such as government contracting and changing legal requirements. This curriculum approach acknowledges the needs/awareness stage and attempts to build skills in more depth with fewer topics or subjects. Continuous re-enrollment is possible, but not anticipated. Business owner students self-select the topics that are of specific interest to them.

A variation that combines scope and depth is a course designed for business owners of a specific category such as food stores, photography stores or small retailers. This approach requires a service area with sufficient numbers of these businesses to reach sufficient enrollment.

Courses for potential business owners (and those for a specific minority group or for women) should include a self-awareness, self-potential or other counseling-oriented component. Many minority and women students feel they face additional barriers or problems in the business world. Opportunity should be given to bring out these feelings and discuss strategies for dealing with them, perhaps in special seminars

or workshops sessions. Community support groups can be useful in addressing these issues and contact made in class can lead to productive interactions in the future.

All courses for potential business owners should devote a significant amount of time to the development of owner readiness (self-awareness) and an examination of personality attributes, family considerations and other needs/drives that will impact the success of business ownership. Success requires thorough trade knowledge, management skills and personal attributes that include risk-taking, judgment, drive to succeed and usually a 60 to 80 hour workweek with the personal and family sacrifices that accompany such a lifestyle. Examples of the kinds of questions a person needs to address are presented below:

Can I make decisions?

Have I identified the areas where decisions are required?

Am I a self-starter?

Am I willing to take calculated risks?

Can I be away from home most every day and evening?

Will my family help or hinder?

Depth of Instruction. Little can be said of this dimension without repeating. The criterion of sufficiency is individual to the student and the program. The generally used yardstick of minimum competency appears to be when the business owner knows what specific skills or knowledges he or she needs to employ and knows enough about the performance of the employee to judge effectiveness. Nearly every owner needs to know the subject well enough to trust the services rendered and continue or discontinue the relationship based upon profitability impact of the services. One business person stated it succinctly: "Knowing when to get a new tax accountant is as important as knowing when to change product lines."

Instructional materials. There are many textbooks on the market and most were written for a credit-bearing elective course in business management. If a textbook is appropriate to the students and to the program structure, the experience of current postsecondary coordinators suggest examination of How to Organize and Operate a Small Business, Braumback, Lawyer and Kelley; and Small Business Management, Broom and Longenecker. These two texts plus other references are included in Appendix B and could aid a new coordinator's review of existing materials. Nearly every program can use the Small Business Administration publications, many of which are free upon request. The new SBA series "Business

"Basics" can be used as class modules or as departure points for locally developed materials or as a basis for teacher produced materials. The reference list is purposely brief; it is the judgment of practicing coordinators that these items should be examined first.

Perhaps even more important is the human resource listing that is included as a distinct component of this sourcebook. These professionals have agreed to be listed and will share their experiences and beliefs with you personally. They are the source of much of this handbook's content and can provide details that you may find missing in this somewhat "generality-oriented" publication.

DECISION GUIDE FOR NEW COORDINATORS OF
PROGRAMS FOR SELF-EMPLOYMENT

There are ten decision areas which a coordinator or instructor of programs for self-employment must address in order to provide training with maximum potential impact. These questions demand careful answers and should be considered in terms of the local institution and community needs. The basic questions and supportive materials are outlined as a decision guide to provide guidance and initial information for the new coordinator, and to serve as a summary for the handbook.

- I. PURPOSE(S) OR NEED(S) *Why undertake small business/entrepreneurship training?*
- Common Responses: a) a service to the community that has a direct impact as well as a human benefit
 b) many graduates eventually become self-employed or work in small business
- Supporting data: 1) many faculty were or still are small business persons
 2) one of the few programs that can actually create jobs
 3) activity will foster faculty and community working together
- II. CLIENTELE TO BE SERVED *Who should be the primary clientele of the program?*
- Choices: a) degree-enrolled students
 b) adults in communities who are considering a business venture
 3) small business owners in the college community
 d) a mix of the above groups as they self-select
- Sub-groups: 1) women
 2) minority or ethnic group
 3) disadvantaged
 4) those in a specific kind of business (farming, foods, tourism, or kind of business/trade indigenous to area)

III. CLIENT CHARACTERISTICS

What are the social and educational characteristics of the primary clientele group?

Considerations:

- a) history of success in schools or academic endeavors
- b) time available to attend classes/program events
- c) existing business management skills/knowledges
- d) willingness to pay for program
- e) firmness of the self-employment decision
- f) unique group attitudes towards instruction or subjects
- g) availability of role models (is ownership of a business "traditional" or "non-traditional")

IV. PROGRAM OBJECTIVE

What should the program accomplish?

Considerations:

- a) acquire basic knowledges of business practices and requirements
- b) assist student in making the decision to invest in personal business
- c) increase profitability of existing business
- d) provide awareness of personality needs and sacrifices necessary for success
- e) develop with student the total plan for beginning and operating a business
- f) awareness of who will help solve problems

V. PROGRAM STRUCTURE AND SCOPE

How should the program be organized given the objective(s)?

Considerations:

- a) one course, 36 to 45 contact hours
- b) series of short courses; 2 or 3 sessions on each of several topics
- c) a multi-year program that consists of a series of 10 weeks or longer courses that build skill and depth
- d) credit bearing, credit option or non-credit
- e) evening offering, summer, day program elective
- f) integrated degree program

VI. FUNDING/SUPPORT

How will the program be supported the first year and after?

Considerations:

- a) college support of staff coordinator line supplemented by fees from students
- b) grant support first year, self-supporting later
- c) business/community contributions
- d) instructor and consultants volunteer time
- e) regular continuing education tuition
- f) college community service budget

VII. STAFFING

How will the program be managed and staffed?

Considerations:

- a) continuing education division
- b) business department
- c) college/community organization co-sponsorship
- d) college staff member as coordinator
- e) college staff member as instructors
- f) instructors and/or consultants from community business (banker, lawyer, accountant, etc.)
- g) special consultants from agencies such as SCORE, SBA, OMBE Chamber of Commerce

Staff Expertise:

- a) credibility with student group
- b) first-hand knowledge of owning a small business
- c) commitment/interest in subject
- d) instructional skills
- e) status of program staff with college faculty

VIII. RECRUITMENT AND SELECTION

How will potential students be contacted?

Considerations:

- a) public service messages on radio and TV
- b) flyers, posters, handbills
- c) mail notices to small business persons
- d) newspapers
- e) word-of-mouth (former students, social organizations, etc.)
- f) business and community organizations and agencies
- g) referrals from helping agencies (SBA, OMBE, etc.)

Should/Will enrollment be selective?

Considerations:

- a) in business now
- b) firm decision to go into business
- c) course prerequisite (if degree program)
- d) referral or recommendation
- e) other criteria on basis of need or success probability

IX. EVALUATION

What criteria will be used to assess effectiveness of program?

Considerations:

- a) instructor judgment of class work produced
- b) student opinions of satisfaction with instructor(s), content, location, scheduling, instructional materials
- c) evidence of improved business practices
- d) numbers of students who go on to business ownership
- e) numbers of students who do not go on to ownership based on better informed decision-making
- f) longitudinal history of students' business success
- g) cost/benefit analysis using c) and others above

X. PROGRAM CONTENT

What should course content include?

Considerations:

- a) depth and scope decisions are on a continuum ranging from

Overview:

(minimum knowledge and skill depth with maximum scope of topics and resources)

Concentration:

(maximum individual acquisition of knowledge and skills with selected topics)

Topics usually covered:

- | | |
|---|--------------------------------------|
| 1. Understanding financial statements | 9. Advertising - public relations |
| 2. General business management principles | 10. Insurance |
| 3. Marketing and customer relations | 11. Recordkeeping |
| 4. Taxation and law | 12. Salesmanship |
| 5. Staff relations | 13. Government procurement |
| 6. Cash flow/capitalization | 14. Security and prevention of fraud |
| 7. How to start a business | 15. Inventory control |
| 8. Personal motivation/achievement | |

APPENDIX A

INTAKE FORM*
SMALL BUSINESS PROGRAM

Please Print All Information Requested

1. _____
Last Name First Name Initial

2. _____
Address City / State Zip

3. _____
Home Phone Social Security #

4. Are you self-employed? ☐ Yes ☐ No Sex: ☐ M ☐ F

5. a) Have you complete high school: ☐ Yes ☐ No

b) Have you attended college: ☐ Yes ☐ No

c) If you graduated from college:

Which college: _____

Date of graudation: _____

Degree: _____

6. How did you learn of the course in small business? (Circle one)

A. From a friend or relative

B. From flyers or direct mail

C. From newspaper announcements

D. Other source(s): Please specify: _____

7. What was your purpose in applying for admission to this course:
- A. To improve the efficiency of your existing business
 - B. To help prepare yourself to operate a small business of your own in the future.
 - C. To obtain a general knowledge of small business
 - D. Not sure of purpose
 - E. Other; specify: _____
8. If you are not now in business for yourself, how close are you to actual ownership? (Circle one)
- A. Looking for capital
 - B. Seeking right location
 - C. Ready to begin specific plans
 - D. Trying to decide if I want to
 - E. Other; specify: _____
9. If you are already in business, are there particular problems that you are experiencing? _____
- _____

- ANSWER EITHER #10 OR #11 -

10. Please describe your current job: _____
- _____
11. Please describe your business: _____
- _____

* Adapted from intake forms currently in use at Queensborough Community College and Hostos Community College.

APPENDIX A
(Continued)

FOLLOW-UP FORM*
SMALL BUSINESS PROGRAM

Please complete this questionnaire in order to help us gauge the effectiveness of our Small Business Training Program:

Name _____

Address _____

1. What year and month did you attend or participate in the small business training for minorities? _____

2. In what courses and/or seminars did you participate?

a. _____

b. _____

c. _____

d. _____

3. When you were accepted into the course, were the purposes of the program made clear to you?

___ Yes

___ No

4. Did you successfully complete the course and/or seminars?

___ Yes

___ No

If no, why not? _____

5. Were you in business at the time you took the training?

___ Yes

___ No

If yes, what type of business? _____

For how long? _____

If no, are you in business now? _____ Please state the type of business and location. _____

6. What skills and techniques have you acquired from the training program?

7. What areas of business have the courses helped you improve?

8. Would you recommend other established or potential business persons to take this skills training program? ☐ Yes ☐ No

Why? _____

9. Has this program encouraged you to continue your academic studies in business? ☐ Yes ☐ No Explain: _____

10. How would you evaluate the following organizational aspects of the program? (check one)

Location of Building: ☐ Convenient ☐ Inconvenient

Physical Facilities: ☐ Satisfactory ☐ Unsatisfactory

11. Do you feel better equipped to operate a small business of your own now than you did before registering for this course?

☐ Yes ☐ No

Explain: _____

* Adapted from follow-up forms currently in use at Queensborough Community College and Hostos Community College.

APPENDIX B

Resources and Instructional Materials

Textbooks:

1. Braumback, C.M., Lawyer, K., & Kelley, P.C. How to Organize and Operate a Small Business. (5th Ed.) Englewood Cliffs, NJ: Prentice-Hall, 1973.
2. Broom, H.N., & Longenecker, J.G. Small Business Management (4th ed.) Cincinnati: Southwestern Publishing, 1975.
3. Stern, Howard, Running Your Own Business, Pasadena: Ritchie Press, 1976.

Instructional Resources:

4. Small Business Reporter Series. San Francisco: Bank of America (Several Titles).
5. Small Business Administration instructional and informational materials. Many free and nominally priced booklets and handbooks are available from the SBA, such as management aids, marketers aids, bibliographies. Consult a local SBA office for a complete list.
6. Business Basics: Self-Instructional Modules, SBA.
7. Elis, Milton. A Guide Book for Establishing Your Own Business, CW Post Center, Long Island: Small Business Institute, 1978.
8. Small Business Management (Curriculum Series)., White Bear Lake: Minnesota Instructional Materials Center (3554 White Bear Avenue); 1978.

Reference Materials:

9. Mucciolo, L. (Ed.) Small Business: Look Before You Leap., New York: Marlu, 1978.
10. American Journal of Small Business., Baltimore, Maryland: University of Baltimore.
11. Journal of Small Business Management, Morgantown, WV: International Council for Small Business and WV University Bureau of Business Research.

APPENDIX B
(Continued)

12. Access, Bi-monthly: OMBE, Department of Commerce
Washington, DC.
13. MBII Newsletter, Minority Business Institute, Inc.,
New York City, (Quarterly)
14. Entrepreneur: The Business Opportunity Magazine,
Santa Monica: Chase Revel, Inc., 631 Wilshire Blvd.
15. Your Business, New York: Department of Commerce, 1978
16. ERIC, EPSIS and other resource information systems
available at college libraries.

Introduction to Case Stories

The six case stories presented in this section are factual summaries of real experiences of real individuals entering small business ventures. The central person in each case is currently self-employed as described. Personal and business names have been changed to assure confidentiality, but in each case the person completed a small business program or set of courses at a community college in New York State.

They were recommended by program coordinators at their respective colleges as candidates for these success stories. Project staff contacted each nominee to determine willingness to share experiences, needs, opinions, feelings and successes relative to their training and business ventures. Interviews were scheduled and project staff met with each person at his/her place of business. The interviews averaged one hour and were taped for transcription. Each case history was then summarized and shared with the small businessperson for personal revision and approval.

The case histories or success stories were prepared for student use. They are proof that "it can be done" by people much like themselves.

Each story has one or more focal points related to small business curriculum components. Cathy's Commercial Art Shop highlights personal attributes of motivation and life-long learning. Mack's Rent-All features the critical concerns of location and market research. Fran's Foreign Furniture points up the necessity of preparation and need for careful building of clientele in a unique service business. These three are relatively new or "beginning" businesses with estimate annual gross of under \$100,000. The only additional employees are part-time or family.

Need + Service, a specialized service for a target clientele, emphasizes personal relations and quality of product. Sally's Small Store, a boutique shop, presents image, inventory control and knowledge of the trade relative to success. Manuel's dream brings a personal dimension to neighborhood and management skills needed for relocation and expansion. These businesses have several employees and estimate a gross income of between \$100,000 and \$300,000.

Discussion questions appear at the end of each story as suggested guides for class discussion, individual assignments and/or instructor presentation or lecture. We anticipate that instructors will find many uses for the stories and encourage such activity.

Need + Service = Small Business

Standing in the lobby of an older showroom and office building in the garment district of New York City, one is struck with the steady comings and goings of attractive women every half hour. The building custodian never looked up when he said that they are customers of George and Mary, but it wasn't always this way for George and Mary.

George worked in the shipping room of a garment district wholesaler. His girlfriend, Mary, worked for one of the many small businesses in the area that specialize in manicure, pedicure and other appearance related services essential to this specialized field of business. Mary was skilled at her trade and had developed a number of clients that sought her services on a regular basis. Encouraged by suggestions from some of her clients, George and Mary were considering pooling their resources and going into business for themselves when George happened to see an advertisement for an evening course at the local community college on small business ownership. George enrolled in the course and almost simultaneously they learned of space that fit their idea of their small business --- available at a reasonable rental.

After five months of operation as a one-person, one-room shop, customer demand had increased to the point that Mary hired and trained another manicurist. This small, but steady growth pattern has repeated itself for the two years of their business life. They currently employ seven people and have tripled their space occupancy. George still has his steady job, but handles much of the bookkeeping, payroll and related tasks. Mary is the everyday manager of the shop in terms of quality control, customer and personnel relations. They have a unique, but very workable for them, division of labor and responsibilities. They are currently considering opening another shop in a different part of the city and expanding their services to include hair styling.

Looking back on the experience, a person familiar with the garment district might view the opening of a new manicure shop like a person starting a hamburger stand between McDonalds and Burger King. Although the need for these kinds of services is great in this area, competition is fierce. Why were George and Mary successful? From the beginning George and Mary agreed that high quality service and customer relations were crucial. They set out to develop repeat customers; customers who would come weekly or bi-weekly. In order to have this happen, they were very careful in employee training and selection and purposefully offered higher than usual commissions to the employees in order to generate loyalty to the business. They realize this

impacts their short range profits to some extent, but they prefer to have satisfied customers and employees for long term returns. In their two years of operation, no employee has left them to work for someone else in the district. Since they also rely heavily upon the satisfied customer to advertise their location and their services, the investment in customer satisfaction appears to be paying off.

George feels that the course in small business was very useful to him in that it made him aware of the many problems that they would have to solve in their business. Because they started at about the same time he enrolled in the course, the topics were very real to him and perhaps had more meaning than they would have for someone not yet in business. George feels that the course would have been more valuable for him had it gone into more detail about record-keeping and business taxes. While the professor was very good, George would have liked to have had some actual experience in completing some of the forms and regulations demanding compliance. He was able, however, to learn by experience and with help from their part-time bookkeeper and lawyer. Currently George does the record-keeping and the bookkeeper checks his work.

They do not expect to "get rich" in their business, but do admit to living comfortable. Their ideas for expansion are cautioned by the desire to employ only people that will maintain their image of quality service as well as the risk of a lease for new space. If they do expand undoubtedly George would give up his regular job to devote full time to the management of the second location. The experience of the last two years lessens the risk that they felt when they opened the original shop, but the important components of their current business success must be seen as within reach before they expand.

Discussion Questions

1. Would George and Mary's partnership of skills work in your business? Why or why not?
2. What do you think is the key or keys to their success?
3. Should they open a second shop?
If yes, how will that change their management practices?

Sally's Small Store

Sally was in her last semester of study for a two-year degree in merchandising when a friend suggested they open a small dress shop. Sally was living at home at the time and responded to her friend's idea with a "why not give it a try" attitude. Supported by a personal loan of \$1000, they purchased 40 dresses and rented space in the basement of an existing store. As the dresses sold, the proceeds were used to buy more dresses. It was nearly six months of stock turnover and sales reinvestment before either partner began to take some of the share of the gross profits as personal income. By this time the dress shop had established itself as a boutique and had a small clientele of repeat customers that was growing by word-of-mouth. Until this time Sally had never really thought about owning her own business, but the excitement of the growth experience had her hooked on entrepreneurship. Her friend that originally had suggested they start the business was now losing interest and Sally proceeded to buy her partner's equity.

A boutique was an idea whose time had come and the shop, under Sally's guidance, added clothing, shoes and accessory lines to its inventory consistent with the shop's image of "young-feeling" and "fun things to wear". During the second year of business, a large shopping mall was opening and Sally's success led her to relocate in the new mall. The change of location tripled her floor space and brought many new customers to her door. She felt this was a good move because there was a trend of customer preference towards malls. Her line now expanded to include both men's and women's apparel, but retained the advance fashion image characteristic of the boutique.

She is currently in her eighth year of small business ownership and has prospered as has the large shopping mall generally. A few years ago she opened a second store in a different shopping mall, but had to close that shop when it became clear that the mall itself would not reach operational potential. The location of this new store was within 15 miles of the original store.

Looking back on the experience, Sally feels there are several keys to her success. One is flexibility of merchandise; being able to change as fashion changes. The image of her shop has always been one of fun and individuality. She now carries antique clothing as well as carefully selected designer labels. The price ranges from moderately expensive to inexpensive.

A second key, as far as Sally is concerned, is being in touch with the desires and the feelings of the customers. Not only is this

crucial in purchasing inventory, it is very important in the selection and training of shop sales personnel. Personal attention by educated, pleasant salespeople is very important in building a customer. For her shop she has found that direct mail advertising to previous customers is much more effective than newspaper or other media advertising.

Looking back on her college program, Sally remembers that she had little training in bookkeeping and other managerial aspects of store ownership. Her program in merchandising was largely directed at becoming a store buyer and she had to translate these concepts to her own small store with its limited inventory and unique character. In the beginning of her ownership days, Sally had to learn record-keeping on her own and sought help from a bookkeeper and a lawyer that she employed on a part-time basis.

Sally's success with her boutique has led her alma mater to invite her to teach a course in Small Stores as an adjunct professor. Sally finds the teaching rewarding both personally and business-wise. In planning and teaching a course on small stores, she has had to re-think her own college experiences and as a result is able to provide students a unique opportunity for learning about the reality of small business ownership.

Sally's course begins with a unit that focuses on students assessing themselves in terms of their personal desires and characteristics such as willingness to work long hours, willingness to make decisions and take responsibilities, their perception of how well they judge people, their health and their self-reliance. The students then are taken through all phases of small business ownership including plans for financing and capitalization, merchandising, inventory control etc. In the one semester course she approaches record keeping from the concept that the owner needs to understand payroll, profits and loss statements and balance sheets, but stresses the importance of employing specialists if the person does not possess the technical expertise to actually do the tasks themselves. The course culminates in a term project that details the development, opening, and six months operation of the student's own store. These projects include such details as demographic characteristics of the selected location and architectural design of the store as well as projected operation expenses and sales income. The success story has now gone a full circle; from student to business owner to instructor.

Discussion Questions

1. Do you think that the store would have been a success if it had not been specialized as a boutique? Why?
2. How important to Sally's success was location in a popular shopping mall? How important is location to your business?
3. Sally knew the fashion industry and learned the business management. How well do you know your trade area? How important is this knowledge for your success?

Mack's Rent-All

Mack had always been good with mechanical things, particularly when it came to keeping equipment running. After completing a maintenance certificate program at a SUNY two-year college, he re-enrolled and completed certificate programs in welding, automotive and construction trades. Following college he found employment in a large tool and equipment rental establishment where his skills were applied daily in undoing what the "do-it-yourselfers" and contractors had done to the equipment the day before. Mack was also skilled in working with people which was necessary to be promoted within the company. Soon his responsibilities included training new employees, passing on to others his mechanical and interpersonal skills. After several years experience in the field, the idea of owning his own tool rental business began to grow. He wasn't particularly unhappy working for someone else, but was increasingly interested in the challenge that starting his own business would offer.

Starting the Business

Mack's experience told him that any new tool rental business would have to compete with his current employer and others who were well-established and well capitalized. If he opened his own store, location would be very important; therefore, he approached this problem with the thoroughness of a master mechanic. He first went to the public library in the suburban county in which he lived and gathered basic information about numbers of homes and contractors (potential customers) and arranged data into service areas within the county. Using this information Mack developed a map of his county that featured population centers, employment centers, potential growth areas for new home construction and the major highways that people traveled to home and work. He then researched the volume of his competition and added the primary customer area of each to his map. This resulted in the identification of a largely unserved area in the northwest quadrant of the county. He then focused his information search on that area and in his spare time, talked with people and drove the major highways in search of potential locations for his own new business. Six months later he found it; adequate store space on a well-traveled highway between two population centers and in a small shopping mall that might increase visibility and walk-in trade.

After an unsuccessful search for a commercial loan, Mack opened his business using his savings as capital. He has been operating less than a year, but is enthusiastic about the long-range success potential. In fact, one banker has implied that another six months of sound business operation may provide enough evidence to gain a favorable reaction to a loan application. Cash flow is a major problem for Mack because his business requires that most equipment be purchased outright, and it is a considerable length of time before the daily or weekly rental charges accumulate to the point that more investment capital is available.

Currently Mack works alone, but is considering a partnership or employing another person to help with repair and upkeep as the volume of business increases. He is also exploring the purchase of repairable used equipment and leasing plans in order to offset the cash flow problem that would be caused by the purchase of an expanded line of tool and equipment items. Mack is finding that advertising in the local "Penny Saver" is quite effective. He occasionally purchases ads in local newspapers when special rates are available. New customers are also finding their way to Mack by word-of-mouth and stopping in to look around since they were driving by anyway.

Although Mack is doing it alone, he found real benefits from attending the small business program at the local community college. The course in business finance was especially helpful in developing the business plan for the loan application. The bookkeeping course, supplemented by his previous experience, is proving to be sufficient to his needs. The course instructors also helped him with his location research although credit for the thoroughness belongs to Mack himself.

Looking back on his program at the college, he feels it would have been better for him if textbooks or other instructional materials were more available to students. Because he is an active problem-solver, he sought out materials and related readings on his own. Mack feels that most of the instructors he had were very good, although one or two should have been more organized and competent than they appeared to be in class.

Words of Wisdom

Mack's primary advice to persons considering starting their own business is "don't go in blind". New business persons must know their trade well and they must also know where to locate. It also helps to realize that learning about your business does not stop when the course ends --- it just begins.

Discussion Questions

1. How important is location for your actual or proposed business? Should Mack have tried to meet his competition head-on or try, as he did, to find an ideal location?
2. Will you have a cash flow problem similar to Mack's? How long can you sustain business without a loan?
3. What are the benefits of experience in the field that you hope to enter?
4. Can you run your business by yourself, or will you have to deal with personnel costs from the start?
5. What are some ways to evaluate advertising and promotion efforts?

Foreign Furnishings by Fran

For a period of about a year Fran considered the possibility of becoming an international home furnishings marketing consultant. Entry into consultative services demands thorough knowledge of consumer markets and products, prices, physical distribution and promotion. On the international front, a good grasp of trade regulations and shipping procedures and foreign markets is also essential --- dimensions which are not found in most business ventures. Export-import laws differ within each country; currency exchange, credit documents, government guarantees and marine insurance all demand specialized skills and knowledges. The role of an international entrepreneur also requires extensive contacts with potential clients, manufacturers, brokers, trade organizations and others that are involved in a very complicated field. Fran has been a journalist, and has taken a full year of planning and personal preparation to undertake the transition from journalist to international entrepreneur.

Fran suggests that one of the first steps necessary to sell personal consultation services is to decide on an acceptable name, one that will communicate in correspondence and on a business card --- a technique that Fran has found most effective. Her first client was the result of a business card handed out at an international trade fair.

She also notes that an individual developing a consultation business needs to decide exactly what services will be provided. A person could, for example, act as a broker, an agent, actually take title to products or facilitate communication between potential purchasers and suppliers. Each role has different skill requirements and sales strategies and the consultant must have a clear idea in order to prepare a business proposal that communicates the intended message to the client-customer.

Fran cautions that one entering a consultant business has to be ready to make a major investment of time, travel and development of contracts which may not realize a return until much later. In essence the contacts can be made by mail but personal contacts, in Europe or the U.S. furniture market, may be necessary to close a sale.

She currently operates from her home and has no plans to incur office rental expense until volume dictates the need for employing clerical assistance.

Fran is also considering beginning an international trade publication. This would be an opportunity to combine her journalistic skills with her business venture and promote a wider clientele which should then contribute to business growth.

Fran has participated in a local community college's small business program. She dropped her first course, bookkeeping, because of the lack of public transportation to campus. Later, by sharing a ride with a new business acquaintance, she was able to complete the course work. A second course, taxes and income management was also completed. She found the courses to be extremely useful. Fran feels that those topics constitute the basics for any business. She learned enough about taxes and recordkeeping from the classes to be able to function during the first year of business without hiring a bookkeeper or accountant. Fran supplements her knowledge by seeking information from SCORE, Department of Commerce, a local Women's Business group, and by extensive reading of resource materials. She is also deeply involved in learning the technical details of shipping; not only the processes but the acceptable size of shipping crates and allowable packaging. Knowing how many items can be shipped per container at what price directly affects her business proposals.

She acknowledges that as her business expands and becomes more intricate she may well need the services of a lawyer and an accountant, but is confident that she has the knowledge to make that decision at the appropriate time. Given the availability of transportation, Fran is considering other small business courses that will help her move forward as an international marketing consultant.

Discussion Questions

1. What should be primary consideration for a person considering a consultant service business? How do these differ from your small business?
2. The investment of time and effort Fran is making has implications to her small business. What are they and how do they compare to yours or other small businesses?
3. Are there specific personal attributes needed by a business person providing consultant services that may differ from other kinds of services and/or products?
4. What attributes would you look for in your lawyer? Your accountant? What are your reactions to the approach taken by Fran in terms of legal and accounting services?

Cathy's Commercial Art Shop

Cathy received her high school training in commercial art, her undergraduate degree in fine arts and psychology and her graduate work was in art therapy. Over the years, while rearing her family, she had done free-lance work interspersed with full-time paid employment. When the children finally entered college and the job she held at the time ended abruptly, Cathy began to seriously consider going out on her own and becoming a full-time free lancer; an entrepreneur.

Eighteen months ago "Cathy's Commercial Art" began to take shape in the basement of her home. In addition to the remodeling (a do-it-yourself-effort) she purchased specialized equipment in order to have the capability of offering a total service, design set-ups, lay-outs, and computerized type-setting. By reason of experience, her trade area speciality is commercial plumbing and heating but Cathy is equally at home in general advertising, fashion illustration, and stationery design for exclusive retail shops. She handles the total service by subcontracting the final printing. She currently employs one person on a part-time basis to help in the shop.

Cathy does not advertise; by choice she relies on referrals from customers, printers, and business acquaintances in the trade for her new clients. This to date has proven successful. She emphasizes quality and personalized creativity and seeks out jobs in which she can be personally and professionally interested.

Cathy is hooked on learning and has taken advantage of the many opportunities available in the metropolitan area over the years. She became interested in small business training when auditing a corporate business course at her undergraduate alma mater. Soon after the shop began to take shape in the basement, Cathy attended a Women in Business seminar held at the local community college which introduced her to its small business program. For over a year (beginning in early '78) she eagerly enrolled in courses, workshops and seminars including Bookkeeping, Marketing, Business Law, Finance, Business Math, Salesmanship, How-to-Start-in-Business and Business Management. She continues to participate in the seminar offerings of the small business program in order to learn as much as possible about business and related topics.

As a direct result of the community college business program, that greatly improved her record-keeping system and, using the business plan developed as part of one of the courses, obtained a business loan from a local commercial bank. Since Cathy had invested in equipment, the financial courses were especially valuable for her in turning this expense into capital assets with allowable depreciation and business

tax advantages. Cathy admits to having difficulty with building all expense components into individual job pricing but her business made a profit in the first year. The program has also helped her make the determination that she is not going to legally incorporate at the present time.

Consistent with her drive to know, Cathy has taught herself computer programming. With assistance from another course, she has acquired the vocabulary and knowledge which enables her to more effectively operate, repair, and maintain her computerized typesetting equipment. This knowledge has allowed her to purchase used equipment at a significant saving and adapt it for her specialized needs.

Cathy is a strong advocate of the community college program and feels she has gained a great deal from the experience. In addition to information, the experience provided psychological support and encouragement from instructors as well as peers. She suggests that postsecondary programs for people in business could be more concentrated and scheduled at times more convenient to the students. She also supports the teaching techniques which do not assign homework to business persons because of their personal time constraints.

Cathy is active in a local Women's Business Organization and believes that business courses should be different for women. The instructor needs to be aware that many women are traditionally very conservative in business related matters and may require different techniques to re-orient their attitudes. She admits that she still questions buying on credit but realizes that cash flow and the use of money can impact profits.

Cathy's future plans include minimal expansion of her commercial art service. Since she is a qualified art therapist, she is considering beginning what may be a second venture, counseling individual and groups of women. Maybe Cathy will have to remodel the attic for her second venture!!

Discussion Questions

1. How is the belief that learning is a life-long process related to her business success?
2. How can you continue learning after this course is over? What steps do you need to take?
3. Should Cathy continue to work in her basement? What would you have to consider before beginning your business in your home?

Manúel's Dream

Manúel strode with confidence as he returned home. He had just completed a walking tour of an uptown neighborhood that confirmed his suspicions. The majority of the condominium residents were of middle and upper middle class income levels and there wasn't a grocery store, at least not one as complete as what Manúel had in mind, in the six block area. He was the picture of a successful businessman as he explained to his wife that he was sure enough of the location to go ahead with the long-term lease on what would soon become his second grocery store.

But it wasn't always like this. Manúel and his wife arrived from Puerto Rico almost 11 years ago with dreams of good jobs and high pay. After both had worked for nearly six years, she as a machine operator and he as a dishwasher and cook, they had accumulated little savings and a great deal of frustration! The jobs were dead-end and dreams of prosperity were tarnished. The turning point was the night they first discussed owning their own store. Manúel had heard about a small uptown grocery that the owner wanted to sell for health reasons. He felt he could be a good manager and it was the first real chance for Manúel to be his own boss, something he had always wanted to do. Their private dream suddenly had a future again.

Manúel went ahead with his first venture, using their savings and a small commercial loan. As he began reorganizing the store inventory, painting the store front and waiting on customers, the dream became reality. He thrived on long hours since the independence and security meant he was investing in his own future. Life was good but the times and the neighborhood were changing faster than Manúel or anyone else realized.

In three short years the neighborhood had changed completely. Crime was becoming as commonplace as abandoned buildings. Few residents remained to support the grocery business. Manúel felt he had only one choice; try to sell the property and buy another. Miraculously he was able to do just that and soon he was again starting a grocery store in another part of uptown, remodeling the store front and stocking the shelves with items popular in this neighborhood. The excitement of ownership was back but he was feeling less sure of his managerial skills after the near loss of his first venture.

One afternoon Manúel heard on the radio about the courses in small business management being offered at the local community college. Manúel had never had much success in schools but since the courses were free and some were offered in Spanish he decided to investigate.

After talking about the course with the instructor, in his native tongue, Manúel decided to enroll. He knew it couldn't do any harm and he might learn a trick or two that would help him make his new store a success. He knew he would have strong competition at his new location and hoped for real help.

Manúel found the program so useful that he ended up enrolling in several additional courses and recommending them to his friends as well. Not only did the courses give him practical help in managing his business, but the experience of several small successes at the college restored his self-confidence. He felt he had a clear grasp of finance and marketing principles and even his store employees remarked about his changed attitude and treatment of them as well as the customers. The store was doing well and no one can convince Manúel that anything except the community college small business program was responsible.

Manúel's original dream of over a decade ago has been fulfilled, but the current dream is still unfolding. One successful store with assistance from the community college, is about to become two.

Discussion Questions

1. One of the reasons people go into business for themselves is because they find salaried employment frustrating. Is this a good reason? What other things should a person think about before going into business?
2. When is it advantageous to be located near competitors? Explain.
3. How can training in business management be valuable to a person already in business?
4. How important is self-confidence to a business owner? To a student?

Introduction: Evaluation Guidelines

In order to help program coordinators and instructors evaluate the effectiveness of their small business programs, a set of evaluation criteria have been developed. The major dimensions of evaluation include program planning, recruitment and selection, instructional objectives, staffing, and program impact. For each topic criterion questions and suggested evidence have been delineated. Topics, criterion questions and evidence have been reviewed in a workshop setting by educators and agency staff experienced in small business and self-employment programs. Their inputs, suggestions and revisions have been incorporated into the guidelines presented in this section.

The criteria and/or evidence are not to be perceived as "absolutes", but rather as a framework from which a coordinator for entrepreneurship training may build the evaluation program most appropriate to local needs, program objectives and specific program characteristics. This section is presented as a directional outline to the local program coordinator.

RECOMMENDED EVALUATION CRITERIA

CRITERION QUESTIONS	EVIDENCE
<u>Planning</u> I. A. Has need for a small business program been established? B. To what degree do the following support small business instructional programs: institutional commitment, administrative interest and community service policy. C. Have business and community agencies in the community been asked to be involved in program development? * * * * *	A. 1. Needs assessment or survey of community and/or college service area in order to determine potential interest and support. 2. Estimate of potential clients in community or college service area. B. 1. Estimate of support as indicated through mission statements, verbal and written communications and written communications and historical precedence. C. 1. In-kind support commitments for space, guest instructors, advisory committee members or estimates from local business groups such as Chamber of Commerce. * * * * *

CRITERION QUESTIONS	EVIDENCE
<u>Recruitment and Selection</u> II. A. Has a target or priority clientele been designated? B. To what extent do recruitment activities reach designated student groups? * * * * *	A. 1. Description of target student projection in terms of education, business, economics and social characteristics. B. 1. Information from pre-instruction or intake forms, enrolled student and program records and other demographic data. 2. Numbers of enrollees from target group(s). 3. Effectiveness of use of media in recruitment efforts such as local newspapers, radio or TV spots. 4. Effectiveness of other efforts in public relations; advertising and linkage with community agencies. * * * * *

CRITERION QUESTIONS	EVIDENCE
<u>Instructional Objectives</u> III. A. To what extent did students acquire intended levels of business management knowledge and decision-making skills?	A. 1. Instructor judgment of quality of questions and contributions to class discussions and extent of active participation in classes. 2. Student demonstration of skill attainment through course grades, test performance, interviews, performance on final and mid-term examination, performance with assignments or other innovative and appropriate measures for non-traditional clientele. 3. Demonstrated ability to apply program outcomes to own business ventures as shown by data collected in longitudinal follow-up surveys, on-site visitations by instructor, informal feedback or "reunion" group discussion. 4. Demonstrated ability to make decisions as determined by performance in real or simulated conditions, instructor observation and judgment, numbers of students deciding to continue seeking business ownership. 5. Existence of business plan. Staff judgment as to quality and utility of personal business plan. Extent to which plan is utilized as determined by follow-up studies.

CRITERION QUESTIONS	EVIDENCE
<u>Instructional Objectives (Con't)</u> B. To what extent did students gain awareness of personal needs and sacrifices usually required of business owners? C. To what extent did participation in the program result in more profitable operation of existing business? D. To what extent did course meet student expectations? E. To what extent did students develop a sense of business? * * * * *	B. 1. Student perceptions, demonstrations of commitment and positive attitudes as determined by pre-post attitude change, instructor observation and judgment, interviews, reaction sheets, or peer reactions. C. 1. Improved business practices as determined from results of follow-up questionnaires and/or interviews. 2. Document ways in which program affected student business owners as to management practices, plans or profit potential. D. 1. Student opinions as determined by pre and post assessment, ratings of self-achievement, reaction sheets, group discussions or follow-up telephone survey. 2. Student perceptions of appropriateness of content relative to needs and level of experience. E. 1. Student attitudes as determined by instructor judgment, simulated situations, self-ratings, or group discussions. * * * * *

CRITERION QUESTIONS	EVIDENCE
<u>Instructional Materials</u> IV. A. To what extent are materials or resources appropriate to enrolled students? * * * * * * * *	A. 1. Instructor and/or student judgment of: - reading level - interest level - utility of content and concepts - accessibility and availability 2. Student and instructor opinions of appropriate utilization of community resources, consultants, participation of former students; as determined by informal feedback, follow-up surveys, reactions sheets, observations and judgments. 3. Availability of bilingual materials as appropriate to student needs. * * * * * * * *

CRITERION QUESTIONS	EVIDENCE
<u>Staffing</u> V. A. To what extent are instructional staff effective? B. Have staff development needs been assessed? C. To what extent is appropriate staff development provided? D. To what extent are student support services effective? E. Are adequate records on file for use by future program coordinators and instructional staff? * * * * *	A. 1. Supervisory, staff and student opinions of credibility, experience, business knowledge, awareness of resource materials and personnel, and performance as a teacher as determined by rating sheets, questionnaires, informal feedback, reaction forms or observations. 2. Student achievement and/or performance. B. 1. Assessment of needs through instructor feedback survey and self-ratings, coordinator/administrative judgment. C. 1. Post assessment of B1. D. 1. Availability and utilization of counseling services; library, advisement and other services as determined from records, intake registration, student opinions and other measures of use. E. 1. Professional judgment as to existence and completeness of summaries or recruitment and selection procedures, student records, instructional outlines and evaluation results. * * * * *

CRITERION QUESTIONS	EVIDENCE
<u>Impact of Program</u> VI. A. To what extent has the program affected the economy of the community and the students as individuals?	A. 1. Success of students establishing and operating a business. 2. Increase in student business-owners' profit potential. 3. Students <u>not going</u> into business based on informed decision-making. Techniques to obtain these data include follow-up studies, questionnaires, on-side visitations, telephone surveys, small group sessions or a modified cost-benefit study --- for example: a. Of 15 students completing the program, only 3 students established a new business, but these 3 created 12 new jobs at an annual wage of \$8500 each. b. To determine increased profitability of an existing business, identify the changes in business operations that are directly linked to program elements; estimate profit increase less opportunity cost. 4. Extent to which political and community support has developed.

CRITERION QUESTIONS	EVIDENCE
<u>Impact of Program (con't)</u> B. To what extent has institutional cost-effectiveness been documented? * * * * *	B. 1. Data from records of program costs based on the ratio of cost per student or contact hours, and relative to other instructional programs. 2. Estimate of program effectiveness from evaluative evidence; estimate of economic benefits to students (VI A); estimate total effectiveness expressed in terms of program costs for use in internal management. * * * * *

Introduction

The most valuable resource for program coordinators who are seeking to initiate or expand their small business programs are colleagues at other two-year colleges. These peer professionals often have ideas and perspectives that are attainable only through experience. The following list identifies contact persons at a number of postsecondary institutions who are willing to share their opinions and discuss entrepreneurship training with other colleagues. A brief program description for each contact person has been included to aid in the selection of the resource person who is experienced with the kind of program that a reader may be considering.

HUMAN RESOURCE LISTING

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Contact Persons

Program Description

Miguel P. Mendonez
Division of Community & Continuing Education
Hostos Community College
475 Grand Concourse
Bronx, NY 10451
(212) 960-1133

Courses and seminars-both new and existing business owners; many courses focus on specific business fields; bi-lingual courses.

Sandra Rumayn, Project Coordinator
Borough of Manhattan Community College
1633 Broadway
New York, NY 10019
(212) 262-3512

Offer non-credit, tuition free courses in cooperation with several community organizations. Individual classes are taught in English, Spanish and Chinese.

Alex Vazquez, Assistant Dean
Borough of Manhattan Community College
1633 Broadway
New York, NY 10019
(212) 262-3512

Same as above.

Hilde Jaffe
Acting Dean of Art and Design Division
Fashion Institute of Technology
227 West 27 Street
New York, NY 10001
(212) 760-7665

Small business courses integrated into existing programs leading to careers in fashion business, including apparel production and merchandising, interior design, advertising, etc.

Alan Carron
Professor of Fashion Buying and Merchandising
Fashion Institute of Technology
227 West 27 Street
New York, NY 10001
(212) 760-7665

Same as above

Diane Franc-Ackerman
3431 Gomer Street
Yorktown Heights, NY 10598
(914) 245-2700 Ex. 274

Many course options-credit and non-credit, through consortium efforts of the college, BOCES and E.O.C.

Contact Persons

Oscar L. Heyward, Director
Small Business Skills Development Program
402 Eastern Parkway
Brooklyn, NY 11225
(212) 734-1813

W. Gary McGuire, Dean
Mohawk Valley Community College
1101 Sherman Drive
Utica, NY 13501
(315) 792-5308

Paula Gebhardt
Minority Business Service Center
460 State Street
Rochester, NY 14608
(716) 546-1930

Martin Frey, Director
Continuing Education
Bronx Community College
181 Street & University Avenue
Bronx, NY 10453
(212) 367-7300 Ext. 364

Fernando Oliver, Program Coordinator
Bronx Community College
181 Street & University Avenue
Bronx, NY 10453
(212) 367-7300

Fred Rosenfeld, Program Coordinator
Queensborough Community College
Bayside, NY 11364
(212) 631-6341

Philip Palasak, Program Coordinator
Herkimer Community College
Herkimer, NY 13212
(315) 866-0300

Program Description

Specially designed courses in all business topics that can lead to a certificate or degree

Several small business educational programs under Division of Life-long Learning, pilot site for women's small business program developed by AACJC

Developing two programs: 1) specifically for small business owners and 2) internship program for disadvantaged who will be placed in small business

Continuing education credit and non-credit courses in small business, free and tuition-based for owners and potential business persons

Same as above

A non-credit one semester course designed to meet the needs of individuals considering self-employment in their own small business

Courses and seminars for area business persons and employees

Contact Persons

Program Description

Ralph Gut, Division of Continuing Education
The College of Staten Island
715 Ocean Terrace
Staten Island, NY 10301

M. Elaine Thomas
Division of Continuing Education
New York City Community College
Brooklyn, NY 11201

Charles E. Wilson
NY State Department of Commerce
230 Park Avenue
New York, NY 10019
(212) 949-9300

Consultation services and
material resources

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Introduction

In February, 1979, Mr. Walter Geier, Institute for Free Business, made a presentation to the small business consortium members on recruitment and funding practices.

The following topical paper is a summary of that presentation. Although the program is not college affiliated, the paper has been included in this sourcebook because it contains numerous ideas. Many of Mr. Geier's remarks have direct implications for persons providing postsecondary entrepreneurship training. We feel coordinators and instructors alike will find it useful, informative and challenging.

TOPICAL PAPER:

Adapted from a presentation on Recruitment and Funding

By
Walter Geier
Institute for Free Business
February 16, 1979

For the past 13 years, Walter Geier has offered no-cost entrepreneurship training geared to minority businesspersons in New York City. During this time, over 3000 students have taken advantage of the 16 week program. The curriculum used in the program is a general approach but is individualized through planning worksheets. These 15 sheets, when completed, provide a detailed plan for the student's specific business. A sample activity found on the first sheet is "Who will be the next employee you will have?" and write an appropriate job description. The goal of the program is to adequately prepare the person for business by pointing out critical dimensions such as: the need for an accountant, attorney, insurance person, the need for marketing to match clientele and the need to know the business. Mr. Geier's remarks were made in the context of this program.

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* * * * *

Recruitment

The best technique to attract students is to offer a good course. A good course recognizes that the characteristics of these students differ from traditional college students. In a few months, or a year or two, they are going to invest their savings, work 16 hours a day, 7 days a week for a couple of years with a good chance that they may fail. Therefore, the course must be complete and everything must be done to help these people learn all that is needed. Courses should not minimize the requirements for successful self-employment.

From where do students usually come? The best source is word-of-mouth when the course is good. A great number of students will "hear about it" and subsequently apply.

Bulletin boards are an excellent recruitment technique. "Please Post" notices sent to agencies such as libraries and churches are effective in reaching a large number of people. As in the following sample, the notice is sent without a cover letter with a heading of "Please Post", and it consists of a brief description of course particulars:

PLEASE POST

FREE COURSE IN HOW TO RUN A SUCCESSFUL BUSINESS OF YOUR OWN

The workshop in Business Opportunities is now taking applications for the spring session of its free course in How to Operate a Successful Business of your Own. Over two thousand men and women have graduated from this pioneering course started by volunteer businessmen in 1966 and run twice yearly since. Over eight hundred of its graduates, mostly from minority groups, are running successful businesses in New York today.

Classes begin the week of February 19th and are held one evening per week for sixteen weeks in each of four locations: Harlem, Brooklyn/Battery; South Jamaica; Bronx/Westchester.

The course covers every important aspect of running a business: Economic Outlook, Planning, Location, Getting Started, Competitive Edge, Market Research, Selling, Fixed and Variable Costs, Pricing, Projecting, Word-of-mouth Promotion, Advertising, Publicity, Purchasing, Credit and Collections, Personnel, Sources of Finance, Getting a Loan, Financial Control, Business Ethics and Maintaining Growth. At the end of the course, each student will have constructed his or her own detailed plan, a book of directions for running the particular business he or she is in or is planning to open.

The workshop in Business Opportunities is an independent, non-funded association of business volunteers dedicated to moving minority members into positions of economic influence. All services, faculty, offices, classrooms are contributed free.

People who want to enroll in the Spring 1979 class are invited to contact:

The Workshop in Business Opportunities
126 East 31st Street
New York, NY 10016
Telephone: (212) 481-0180

Print has been found to be our best advertising medium. A press release at the end of the course is excellent for recruitment purposes. The course concludes with a formal graduation ceremony and certificates. Many students pursuing instruction in small business have never before graduated from anything. The speaker at the graduation program are previous graduates of the course. Such an event provides grist for a press release, and has potential of being controversial and newsworthy. The press is much like a lottery but when something is picked up, the publicity is great.

To encourage coverage, a contact person should be identified, and a fact sheet (Appendix) to provide background and legitimacy should accompany

any press release. The bulletin board document may be used by substituting "Immediate Release" and a catch title for "Please Post," or the release may be more extensive as in the following example:

FOR RELEASE AFTER 9 p.m. JANUARY 29

FREE COURSE SUCCEEDS WHERE \$137 MILLION FAILS

"Knowledge, not money, is the key to business success," said Dr. Mallalieu S. Woolfolk, President of the Workshop in Business Opportunities, last night. Dr. Woolfolk, a former executive of the Small Business Administration, pointed to recent figures revealing that over 3400 minority businesses were given more than 137 million dollars in loans over the past ten years by the Small Business Administration and only thirty of those businesses were still in existence. Over a similar period, Dr. Woolfolk said, almost all of the entrepreneurs - mostly from minority groups - who started or continued businesses after graduating from the workshop in Business Opportunities' free course in How to Operate a Successful Business are still going. "And the Workshop provides only know-how" Woolfolk explained. "It has never put up a dime for any of its students."

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Many of the Workshop's graduates have not only established successful businesses; they have gone on to show others how to do so as well. John Torres, for example, took the Workshop in 1969. He is now conducting his own bilingual courses in Bronx Community and Hostos Colleges. Almost half of all-volunteer faculty of The Workshop is made up of successful graduates who wish to return and to share their own experiences with others. One of the alumni who came to last night's 26th graduation ceremony of the Workshop in Business Opportunities was Wattell "Bud" Hines who, along with his wife and business partner, Barbara, runs Catering by Bud in Harlem. Mr. Hines urges those in the audience who were in business or planning to go into business for themselves to enroll in the Spring Workshop classes to begin the week of February 19th.

"Don't be fooled by the fact that the classes are free," Mr. Hines advised. "No matter how much you pay, you won't find a better course anywhere."

The greatest problem found with TV and radio spots that they can't be clipped out. However, the potential of public service announcements in recruitment purposes should not be discontinued. News releases sent to radio stations should also identify a contact person. A brief cover letter should accompany the release to provide sufficient background information. In radio announcements it has been found that people tend to call more than write, so telephone numbers should be repeated. Samples of radio spots of varying length follow on the next page:

RADIO SPOTS

Forty seconds

The Workshop in Business Opportunities, the oldest and best-known program for people who want to go into business for themselves, is now accepting applications for its free sixteen week course starting the week of February nineteenth. For application and information, call (212) 481-0180. Classes are conducted by an all-volunteer group of over one hundred successful New York businesspeople in Harlem, Brooklyn, South Jamaica and the Bronx and are absolutely free to everyone. The number to call again is (212) 481-0180. Or write Workshop, 126 East Thirty-first Street, New York, 10016.

Thirty seconds

If you are in, or are planning to go into, your own business, call 481-0180 for information and application for a free sixteen week course conducted by the Workshop in Business Opportunities, a group of one hundred successful New York businesspeople who have trained thousands of individuals over the past fourteen years to run their own profitable independent businesses. Classes are held in Harlem, Brooklyn, South Jamaica and the Bronx. The number to call for this free course is (212) 481-0180. That's 481-0180.

Twenty seconds

The Workshop in Business Opportunities, the most successful program ever for people who are in business or who are planning to open their own businesses, is now accepting applications for its free sixteen week course starting the week of February nineteenth. For application and information, call (212) 481-0180.

Ten seconds

If you are in, or are planning to open, a business of your own, call 481-0180 for a free sixteen week Workshop. That's 481-0180.

Funding

There is little that I can contribute to the question of funding. By choice our program operates with volunteers and through donations. It has been found that better personnel can be acquired through volunteerism than by employment. Staff volunteers are sought relative to a specific problem. Selection criteria include skill in communicating and not having "an ax to grind". About 90% of the individuals contacted agree to join us for a period of 2 to 4 nights or sessions. Space for the program is donated by agencies such as banks and community groups. Be advised that when seeking space, some may provide free space but levy a custodial fee. Materials such as paper, texts, pencils may be salvaged from organizations that dispose of them after minimal use or becoming outdated. Previously, grant funds were utilized to develop the set of materials being used. Students are asked to contribute \$20 (previously \$15) if they can afford it in order to offset the cost of duplicating materials, paper usage and postage.

When seeking funds, Foundations are a good source for support and in-kind contributions.

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Background of the Workshop

The Workshop in Business Opportunities was begun by Walter Geier, whose firm produced marketing and sales training programs for large companies, and by Dr. Mallalieu Woolfolk, then of the Upper Manhattan Small Business Development corporation. In the Spring of 1966 they recruited an all-volunteer staff made up mostly of Mr. Geier's associates and clients. The first class was held in Dr. Woolfolk's offices at the Harlem YWCA on 125th Street. A year later, a branch was opened in Brooklyn and the following year another in Queens. For a time others were held in White Plains, Mt. Vernon, Staten Island, Stanford (Conn.) and Roxbury (Mass.). Current classes are being held at locations in Manhattan, Brooklyn, Queens and the Bronx.

The classes are absolutely free, although those who can afford it are asked to pay for the materials they use. The only thing everyone must contribute is a lot of hard work. Aside from the three hours of class each week, there are six to twenty hours a week of homework, most of which consists of developing a minutely detailed plan -- a complete book of directions, so to speak -- for running their particular businesses. Students who are unable or unwilling to devote that kind of effort are invited to drop out.

"We lose over half of our enrollment in the first six weeks," Mr. Geier explains. "And that's exactly the way we want it. We feel it is just as important to discourage the people who won't make it as it is to encourage those who will. We're saving the drop-outs a heck of a lot of time, effort and money -- maybe their life savings -- by discouraging them from starting something they can't sustain."

The Workshop's record of success reflects this philosophy. "As far as we know," Dr. Woolfolk says, "we have never had a bankruptcy." I'm sure someone somewhere has gone under without telling us. After all, people don't throw parties to announce their failures. But we maintain fairly

good contact with many of our graduates and, although some have closed their businesses for one reason or another, most of them manage to survive and a good portion of them are extremely profitable. If you live in or around New York City, there's a better than even chance that you've done business with one of our alumni."

Since the Workshop is not funded or sponsored by another organization it continues to work through the dedication of its volunteers and the generosity of its friends. All staff and faculty are unpaid. A headquarters office, telephone, use of a copier and other office equipment are supplied by the Edwin Gould Foundation for Children. Organizations as diverse as CUNY, the Jamaica Chamber of Commerce, Chemical Bank and the North Bronx Neighborhood Family Union provide free classroom space. The facilities for last night's graduation were provided by Manufacturers Hanover Trust Company.

Can anyone enroll? The answer is, absolutely yes. The Workshop considers itself an equal opportunity provider. Sessions are conducted in minority areas, but anyone who will travel to class locations are welcome. Most students are Black and Hispanic, but there is always a sprinkling of Whites. Both Mallalieu Wollfolk, who is Black, and Walter Geier, who is White are pleased with this.

"After all, we encourage minority entrepreneurs to sell to everybody; they can practice on Whites in the class," Walter Geier says. "For myself, I happened to be one of those guys some of whose best friends weren't Black. I didn't know anything at all about the Black experience until I began the Workshop. I consistently get a lot more out of the workshop than I put in." And that seems to answer the questions most frequently asked of Workshop volunteers, some of whom have been putting in six hours a week for the last thirteen years. "Why do you do it?" The answer they all agree on: "We get more out of it than we put into it."

APPENDIX
FACT SHEET

The Workshop in Business Opportunities is a free training program run by a non-profit, non-funded, all-volunteer group of Black and White businesspeople.

Its goals are to help individuals from minorities establish substantial businesses and develop economic power.

Classes are held one evening per week (three hours per class with six to twenty hours homework) for sixteen weeks.

It is practical rather than academic; at the end of the course, each student will have constructed his or her own seventy page business plan -- a book of directions, so to speak, for running his or her particular business.

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Courses are conducted twice a year in four locations: Harlem, Brooklyn, South Jamaica, Bronx.

Classes are free of charge and open to everyone.

There are no academic or other qualifications; the only unqualified students are those unwilling to do the work.

Instructors serve without pay; more than half run their own businesses; many are former students.

All services and facilities -- offices, classrooms, typing, mailing, etc. -- are donated.

The course covers every important phase of running a business: economic outlook, planning, location, getting started, competitive edge, market research, selling costs, pricing, projecting, word-of-mouth promotion, advertising, publicity, purchasing, credit and collections, personnel, sources of finance, getting a loan, financial control, business ethics and achieving growth.

Courses have been run twice yearly since 1966.

Over 2000 have graduated; about 800 of these are running successful businesses today.

It is completely independent; there is no sponsorship by or affiliation with any other group.

It was begun by Walter Geier and Mallalieu Woolfolk, the present Chairman of the Board and President, respectively.